

## **OVCS Monitoring Procedures**

### **Overview**

Federal guidelines require that the Virginia Office on Volunteerism and Community Services monitor each local community action agency at least once every three years to ensure performance goals, administrative standards, financial management requirements, and other state requirements are met. The State Plan submitted by OVCS sets a goal of monitoring visits every three years or as needed using indicators such as agency risk assessment. As a result, OVCS monitoring team members will look at far more than compliance with program rules and regulations. Rather, OVCS monitors will take a systems view of each agency, noting the quality of service delivery and program operations throughout the agency. OVCS views its monitoring activities as part of a process to strengthen local agencies and the entire community action network. OVCS will use the results of its on-site monitoring reviews to identify training and technical assistance needs unique to each agency, to provide the agency with both an early warning system and best practices catalog, and to identify areas where training and/or technical assistance might increase the capacity and performance of the entire network.

The monitoring team will usually consist of two OVCS staff members depending mostly on the size of your agency. The on-site visit will occur over a two day period. We anticipate beginning the first day at 9:00 a.m. If you desire it, we can end the review with an informal exit conference to briefly outline our findings. You will, of course, receive a written monitoring report whether or not an exit conference is held.

OVCS will use a standard monitoring instrument to ensure each review is comprehensive and consistent with other reviews in examining all of the agency's management and governance systems. See attached copy of instrument. On-site monitoring reviews include a file review, a financial management team interview, a management team interview, a Board of Directors interview, a staff survey, and a board survey. We also will attend a board meeting during our visit if possible. These instruments have been revised to reflect organizational standards. If on-site monitoring is not feasible, OVCS staff will conduct the monitoring virtually. The Virtual Monitoring would consist of the same process, the interviews will be conducted via Zoom, all files will be emailed to our office and reviewed virtually, and staff will participate in a board meeting virtually.

OVCS will complete the Desk Review portion of the monitoring instrument prior to the on-site visit. The financial management team interview will consist of interviewing the Chief Financial Officer and examining a number of financial records. If possible, we recommend that the Treasurer of the Board of Directors participate in this interview. The Board of Directors interview examines governance functions and operations. Completion of that portion of the review requires that we interview at least three members of your Board. Board members will be selected for the interview from the Board of Directors survey. We recommend the Board of Directors interview take place an hour prior to the board meeting but it can take place anytime during our visit. The Management Team Interview should include the Executive Director, Finance Director, Chief Planner, Human Resources Manager, operations directors or

managers, and/or other management level personnel able to address questions related to your agency's various management systems.

The on-site monitoring review will also involve the examination of agency documentation and records. As a result we will need to have access to your financial files, personnel files, and client files.

### **Financial Management Review**

In the area of financial management, we will randomly select two months of Federal CSBG and TANF reimbursements for review of documentation supporting those expenditures. If problems are found during that examination, we may need to request documentation for additional months' expenditures. We will also need to see any contracts the agency has executed for professional services and documentation that shows agency policies governing the procurement of non-expendable property, goods, and services have been correctly implemented. We also need to see documentation of liability, bonding, and vehicle insurance coverage. We will review your documentation demonstrating that a physical inventory has been completed and that the physical inventory has been reconciled with agency inventory records. If there were any findings or recommendations in your last A-133 audit, we will review your documentation pertaining to whatever corrective action has occurred.

### **General and Program Review**

In the area of general and program administration, we will randomly select some client files and personnel files to review. We will need to see documentation of your needs assessment and any public hearing or meetings that were held to solicit input pertaining to the needs assessment. If you administer a Head Start program, we will need a copy of your latest Head Start Report, and if applicable, corrective action plans, and documentation that your corrective action plan has been implemented. We also need copies of monitoring reports issued by any other public funding source. If you are experiencing any problems, findings, and/or disputes with funding sources other than CSBG, we will need to see all correspondence and/or reports pertaining to those issues.

### **Issuance of Monitoring Report**

OVCS will issue an email within 10 days of the visit that will contain all findings, concerns and recommendations. The agency will have 5 days to respond to the correspondence, which will give an opportunity to check facts or clarify findings. A written report will be issued within 30 days of the on-site visit. The final Monitoring Report will be emailed to the Board Chair and the Executive Director. The Final Monitoring Report may include the following: Findings, Concerns, and Recommendations. Findings include instances of non-compliance with statutes, regulations, policies, or procedures established by the agency itself, the Commonwealth of Virginia, or federal agencies. Concerns include conditions that have the potential to lead to problems for the agency including deficiencies in agency management and governance systems. Recommendations include best practices that can contribute to increased agency effectiveness.

### **Corrective Action Response and Plans**

Local agencies will be required to submit an approved Corrective Action Plan for any findings no later than 60 days after issuance of the Final Report. Local agencies are required to share copies of the Final Monitoring Report with all members of the Board of Directors. Likewise, the agency's Corrective Action Plan shall also be shared with and approved by the Board. If it is impossible for the entire Board to approve the Corrective Action Plan within the 60 day period because of its meeting schedule, the Executive Committee can approve it subject to Board review and approval later. OVCS will screen agency Board Meeting minutes to confirm that the Board reviewed the monitoring report and approved the corrective action plan. The agency's Corrective Action Plan should respond to each finding contained in the Monitoring Report. You also have the option of including in the Correction Action Plan any actions you plan to take in response to our concerns or best practice recommendations. Corrective action plans shall include a description of the action to be taken and a date for completion of each corrective action. If your final monitoring report contains any findings, you will also be required to submit on a quarterly basis a Progress Report that will outline the progress you have made in implementing the planned actions contained in your Correction Action Plan.

### **Follow-Up Reviews**

The nature of follow-up reviews depends on the number and seriousness of the findings and weaknesses identified in the monitoring report. When findings are few and/or minor, the follow-up review may be accomplished by e-mail (i.e. – submission of a document or written policy). When findings are numerous and/or major, a follow-up on-site visit will be conducted to verify and document implementation of the corrective action plan. In these instances, OVCS may also determine that increasing the frequency of monitoring reviews to annual on-site visits is justified.

### **Summary**

While The CSBG Act of 1998 requires the State CSBG office to monitor local community action agencies, the fact is, it is also a good business practice because it can assist you to continually improve your operations, services, and outcomes as you strive to end poverty in your community. Monitoring is but one of many tools available to strengthen agencies' capacity and outcomes. Local agency self-assessments, the national Community Action Partnership's Standards of Excellence, Virtual CAP, training and technical assistance, peer-to-peer exchanges are all tools that are essential to maintaining and strengthening agency capacity. The Virginia Office on Volunteerism and Community Services believes that it is important to maintain a strong partnership between our office, the Virginia Community Action Partnership, and local community action agencies; a partnership that builds capacity at the local level and that provides training and technical assistance so the network can excel in its work.

To that end, we are committed to working with VACAP and the community action network to provide quality training and technical assistance that addresses whatever findings and weaknesses are identified by our monitoring reviews.